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WEBSTER PARISH FIRE PROTECTION DISTRICT #3
WEBSTER PARISH POLICE JURY
Doyline, Louisiana

Financial Report

For the Year Ended June 30, 2001

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/5/01

WEBSTER PARISH FIRE PROTECTION DISTRICT #3
WEBSTER PARISH POLICE JURY
Doyline, Louisiana

Component Unit Financial Statements
As of and for the year ended June 30, 2001

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JAMIESON, WISE & MARTIN
A Professional Accounting Corporation

601 Main Street P. O. Box 897
Minden, Louisiana 71058-0897
(318) 377-3171 Fax (318) 377-3177

MICHAEL W. WISE, CPA Email mwjwm@cwide.net
CARLOS E. MARTIN, CPA Email jwm@cwide.net
DAVID W. TINSLEY, CPA Email dtjwm@cwide.net

KRISTINE J. HARPER, CPA Email khjwm@cwide.net
JENNIFER SMITH, CPA Email jsjwm@cwide.net

WM. PEARCE JAMIESON, CPA (1991)

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

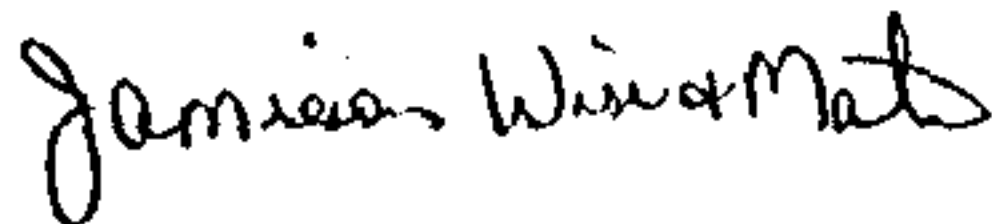
ACCOUNTANTS' COMPILATION REPORT

The Board of Commissioners
Webster Parish Fire Protection
District #3
Doyline, Louisiana

We have compiled the component unit financial statements as of and for the year ended June 30, 2001, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements and schedules, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated September 12, 2001, on the results of our agreed-upon procedures.



Minden, Louisiana
September 12, 2001

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DAVID W. TINSLEY, CPA Email dtjwm@cwide.net

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Management of the Webster Parish Fire
Protection District #3 of Webster Parish

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Webster Parish Fire Protection District #3 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Webster Parish Fire Protection District #3's compliance with certain laws and regulations during the year ended June 30, 2001, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

For the year ended June 30, 2001, one expenditure for equipment exceeding \$15,000 was noted. There were three newspaper advertisements on record and the lowest of two sealed bids was awarded. No expenditures for public works exceeding \$100,000 were noted.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of

all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

For the year ended June 30, 2001, no employees were noted.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

This agreed-upon procedure is not applicable since there were no employees paid during the period under examination.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget for the year ended June 30, 2001.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on July 11, 2000, which indicated that the budget had been adopted by the commissioners of the Webster Parish Fire Protection District #3 by a unanimous vote. Amendments to the budget can be traced to the minutes of a meeting held on November 7, 2000 where the motion was carried unanimously.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceeded budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues were more than budgeted amounts by 19%. Actual expenditures were less than budgeted amounts by 7%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the periods under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

All six payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities

Inspection of documentation supporting each of the six selected disbursements indicated approval from the treasurer and the chairman of the Board of Commissioners. In addition, each of the disbursements were traced to the District's minute book where they were approved by the full commission.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Webster Parish Fire Protection District #3 is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. Management documented in its meetings that the notices were properly posted.

Debt

10. Examine bank deposits for the periods under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the periods under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

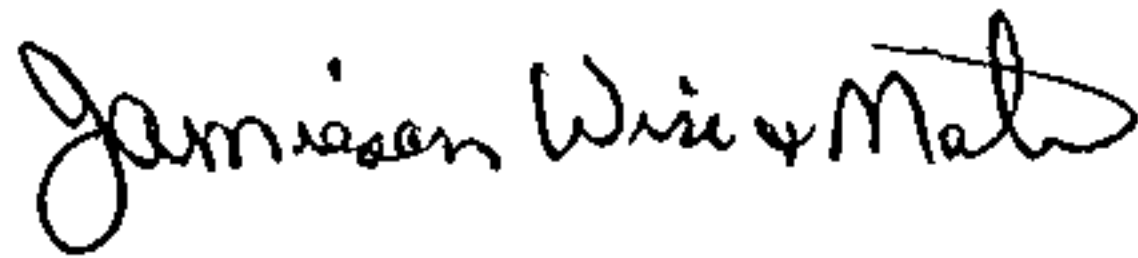
11. Examine payroll records and minutes for the year to determine whether any payments have made to employees which may constitute bonuses, advance, or gifts.

A reading of the minutes of the district for the year indicated no payments for items noted above. We noted no paid employees for the year ended June 30, 2001. We also inspected

records for the year and noted no instances which would indicate payments which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Webster Parish Fire Protection District #3 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Minden, Louisiana
September 12, 2001

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

_____ (Date Transmitted)

_____ (Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [☒] No [☐]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [☒] No [☐]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [☒] No [☐]

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [☒] No [☐]

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [☒] No [☐]

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes [☒] No [☐]

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [☒] No [☐]

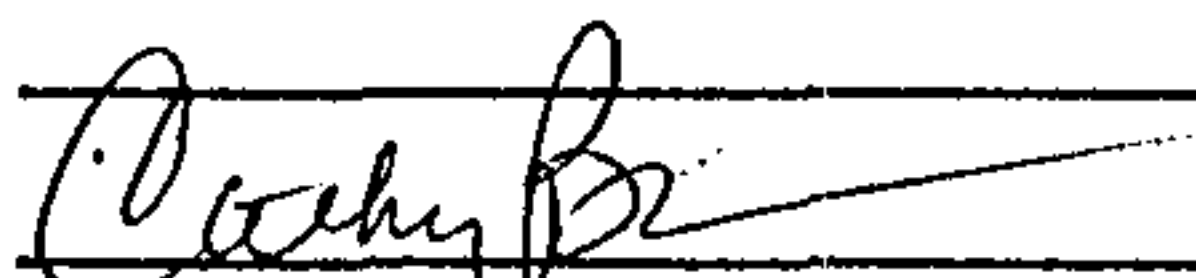
Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

	Secretary	_____	Date
	Treasurer	6/30/01	Date
	President	_____	Date

COMPONENT UNIT FINANCIAL STATEMENTS

WEBSTER PARISH FIRE PROTECTION DISTRICT #3
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2001

	Governmental Fund Type	Account Groups		Totals
	Special Revenue	General Fixed Assets	General Long-term Debt	(Memorandum Only)
ASSETS				
Cash and cash equivalents	\$ 40,614	-	-	40,614
Deposits	65	-	-	65
Vehicles	-	156,200	-	156,200
Equipment and suits	-	67,275	-	67,275
Buildings and land	-	113,314	-	113,314
Radios, pagers, etc.	-	45,884	-	45,884
Amount to be provided for retirement of long-term debt	-	-	25,000	-
				25,000
Total assets	\$ 40,679	382,673	25,000	448,351
LIABILITIES AND FUND BALANCE				
Liabilities				
Bonds payable	\$ -	-	25,000	25,000
Total liabilities	-	-	25,000	25,000
Fund balance				
Reserved for debt retirement	5,078	-	-	5,078
Unreserved	35,601	-	-	35,601
Investment in fixed assets	-	382,673	-	382,673
Total fund balance	40,679	382,673	-	423,352
Total liabilities and fund balance	\$ 40,679	382,673	25,000	448,352

The accompanying notes constitute an integral part of these financial statements.

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

Statements of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund Type - Special Revenue Fund For the Years Ended June 30, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Revenues:		
Ad valorem taxes	\$ 66,377	\$ 55,639
Interest earned	2,613	1,694
Grant revenue	-	-
Other receipts	<u>11,867</u>	<u>9,210</u>
Total revenues	<u>80,857</u>	<u>66,543</u>
Expenditures:		
Tax collection fees	2,233	-
Medical supplies and small tools	2,979	916
Insurance	5,053	4,409
Buildings and grounds	339	249
Professional fees	950	950
Bank and trustee fees	602	603
Vehicle repairs and maintenance	4,746	2,267
Radio expense	671	740
Fuel	1,837	1,252
Utilities	2,864	2,818
Telephone	1,137	319
Other	3,154	751
Office expense	826	554
Principal payments	20,000	20,000
Interest	3,600	5,200
Grant expenditures	-	-
Capital outlay - fire fighting equipment	23,969	2,610
Capital outlay - building	3,700	305
Capital outlay - radio equipment	<u>4,434</u>	<u>350</u>
Total expenditures	<u>83,094</u>	<u>44,293</u>
(Deficit) of revenues over expenditures	(2,237)	22,250
Fund balance beginning of year	<u>42,916</u>	<u>20,666</u>
Fund balance end of year	<u>\$ 40,679</u>	<u>42,916</u>

The accompanying notes constitute an integral part of these financial statements.

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

Governmental Fund Type - Special Revenue
Statement of Revenue, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Ad valorem taxes	\$ 56,000	66,377	10,377
Interest earned	1,600	2,613	1,013
Other receipts	<u>10,615</u>	<u>11,867</u>	<u>1,252</u>
Total revenues	<u>68,215</u>	<u>80,857</u>	<u>12,642</u>
Expenditures:			
Tax collection fees	-	2,233	(2,233)
Miscellaneous supplies	500	2,979	(2,479)
Insurance	5,100	5,053	47
Buildings and grounds	600	339	261
Professional fees	1,000	950	50
Bank and trustee fees	650	602	48
Vehicle repairs and maintenance	3,500	4,746	(1,246)
Radio expense	1,200	671	529
Fuel	1,500	1,837	(337)
Utilities	2,500	2,864	(364)
Telephone	500	1,137	(637)
Other	1,500	3,154	(1,654)
Office	1,000	826	174
Principal payments	20,000	20,000	-
Interest	3,600	3,600	-
Capital outlay - fire fighting equipment	22,000	23,969	(1,969)
Capital outlay - radio equipment	1,000	4,434	(3,434)
Capital outlay - building	<u>300</u>	<u>3,700</u>	<u>(3,400)</u>
Total expenditures	<u>66,450</u>	<u>83,094</u>	<u>(16,644)</u>
Excess (deficit) of revenues over expenditures	1,765	(2,237)	(4,002)
Fund balance beginning of year	<u>42,916</u>	<u>42,916</u>	<u>-</u>
Fund balance end of year	<u>\$ 44,681</u>	<u>40,679</u>	<u>(4,002)</u>

The accompanying notes constitute an integral part of these financial statements.

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

NOTES TO FINANCIAL STATEMENTS

June 30, 2001

1. Introduction

The Webster Parish Fire Protection District #3 was created by resolution of the Webster Parish Police Jury in May 1986. The District began collecting ad valorem taxes in January 1988. The District board consists of five members. Two members are appointed by the Webster Parish Police Jury, two members are appointed by the Village of Doyline and the fifth member is appointed by the other four members and is the chairman of the District.

The significant accounting policies followed by the Webster Parish Fire Protection District #3 in preparation of the accompanying financial statements are set forth below.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity - As the governing authority of the parish, for reporting purposes, the Webster Parish Police Jury is the financial reporting entity for Webster Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Webster Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

NOTES TO FINANCIAL STATEMENTS

June 30, 2001

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organization for which the reporting entity financial statements would be misleading if data of organization is not included because of the nature or significance of the relationship.

Because the police jury can impose its will on the Fire District and the police jury appoints a voting majority, the district was determined to be a component unit of the Webster Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

- B. Basis of accounting* - The modified accrual basis of accounting is used by the Webster Parish Fire Protection District #3. Under the modified accrual basis of accounting revenues are recognized when they become measurable and available as net current assets and expenditures are recognized when the liability occurs.
- C. Expenditures* - Expenditures are approved to be paid by the Board at the board meetings.
- D. Taxes* - District property taxes are levied and collected by the parish tax collectors. Property tax revenues are recognized as revenues when received.
- E. Fixed assets* - Fixed assets are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund when purchased. All fixed assets are stated at historical cost.
- F. Budgets* - The district uses the following budget practices:

The District adopted a budget for the year ended June 30, 2001. The District adopts and controls budgets and the level of expenditures. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes to the original budget must be approved by the Board of Commissioners.

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

NOTES TO FINANCIAL STATEMENTS

June 30, 2001

2. Ad Valorem Taxes

The District has a levy of 26.31 mil ad valorem tax as of June 30, 2001 which consists of a debt service millage of 11.25 mils and maintenance millage of 15.06 mils. The debt service millage is for 15 years beginning with tax year 1987. The maintenance millage is for 15 years beginning with tax year 1998. Taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

3. General Fixed Assets

		Land &			Radios
	<u>Total</u>	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Pagers</u>
Balance 7-1-00	\$ 350,768	109,614	134,700	65,005	41,449
Additions	31,903	3,700	21,500	2,269	4,434
Deletions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance 6-30-01	\$ <u>382,671</u>	<u>113,314</u>	<u>156,200</u>	<u>67,274</u>	<u>45,883</u>

4. Memorandum Totals

The total columns in the financial statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Such data is not comparable to a consolidation.

5. Cash and Cash Equivalents

At June 30, 2001, the district had cash and cash equivalents (book balances) totaling \$ 40,744. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2001 the District has \$ 44,004 in deposits (bank balances). These deposits are secured from risk by \$ 44,004 of federal deposit insurance.

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

NOTES TO FINANCIAL STATEMENTS

June 30, 2001

	<u>Cash in Bank</u>
	<u>Checking</u>
Maintenance Funds	\$ 35,666
Bond Payoff Fund	<u>5,078</u>
Totals	\$ <u>40,744</u>

6. Changes in Long-term Debt

The following is a summary of bond transactions of the District for the year ended June 30, 2001:

Bonds Payable, July 1, 2000	\$ 45,000
Bonds retired	<u>(20,000)</u>
Bonds Payable, June 30, 2002	\$ <u>25,000</u>

Bonds payable at June 30, 2001, is comprised of the following issue:

\$200,000 General obligation bonds, dated 7/1/87	
due in annual installments through March 1, 2002;	
interest varying from 11% to 8%; secured by levy and	
collection of ad valorem taxes	\$ <u>25,000</u>

The annual requirements to amortize the debt outstanding as of June 30, 2001, including interest payments are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30</u>			
2002	<u>25,000</u>	<u>2,000</u>	<u>27,000</u>
Totals	\$ <u>25,000</u>	<u>2,000</u>	<u>27,000</u>

SUPPLEMENTAL INFORMATION SCHEDULES

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2001**

The following serve on the Board of Commissioners without compensation:

Melvin Stewart	Chairman
Cathy Bell	Secretary/Treasurer
Jimmy Bell	Commissioner
Jim McCalister	Commissioner
Stan Brown	Commissioner
Bob Chandler	Commissioner

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

Summary of Prior Year Findings As of and for the Year Ended June 30, 2001

99-1 - Budgeting

Finding - Actual revenues were less than budgeted amounts by 6.2%. Expenditures exceeded budgeted amounts by less than 5%.

Planned Corrective Action - Management intends to monitor the revenues more closely in order to make necessary amendments to the budget for unfavorable variances noted, as required by LSA-RS 39:1310.

Corrective Action Taken - For the year ended June 30, 2001, actual revenues were not less than 5% of budgeted amounts, however, actual expenditures exceeded budgeted amounts by 25%. However, under LSA-RS 39:1311 (3)B the amendments are not required for a special revenue fund with anticipated expenditures that do not exceed two hundred fifty thousand dollars.

WEBSTER PARISH FIRE PROTECTION DISTRICT #3

**Corrective Action Plan for Current Year Findings
As of and For the Year Ended June 30, 2001**

Agreed Upon Procedures Attestation/Compilation

No Findings for Year Ending June 30, 2001